

SELECTED FEDERAL LEGISLATION

Prepared for Financial Institutions Committee
Business Law Section, State Bar of California

March 14, 2001

Bill/Sponsor	Summary	Status
H.R. 89 Online Privacy Protection Act of 2001 [Frelinghuysen]	Makes it unlawful for operator of Web site or online service to collect, use or disclose personal information concerning an individual in manner that violates regulations to be prescribed by Federal Trade Commission (FTC). FTC regulations to require operators (i) to protect confidentiality, security and integrity of personal information collected from individuals and (ii) to provide a process for individuals to consent to or limit disclosure of such information. Authorizes States to enforce regulations, upon notice to FTC and provides for FTC intervention in any such action.	Introduced 1/3/01 Referred to House Energy and Commerce Committee 1/3/01
H.R. 163 Mortgage Servicing Clarification Act [Royce]	Amends Fair Debt Collection Practices Act to exempt servicer of federally-related mortgage loans secured by first liens from certain debt collection disclosure requirements if servicer is a debt collector whose primary function is to service such loans.	Introduced 1/3/01 Referred to House Financial Services Committee 1/3/01
H.R. 91 Social Security On-Line Privacy Protection Act [Frelinghuysen]	Prohibits interactive computer service from disclosing to third party an individual's social security number or related personally identifiable information without individual's prior written informed consent, which can be revoked at any time. FTC investigation and enforcement authority.	Introduced 1/3/01 Referred to House Energy and Commerce Committee 1/3/01
H.R. 184 College Student Credit Card Protection Act [Slaughter]	Amends Truth in Lending Act to limit by specified formula (20% of annual income) the total credit extended under credit card account to full-time, traditional-aged college student, unless parent/legal guardian co-signs. Prohibits increasing credit limit on account for which parent/guardian has assumed joint liability without parent/guardian approval. Prohibits creditor from opening credit card account for college student who: (1) has no annual gross income; and (2) already has a credit card account under open-end consumer credit plan.	Introduced 1/3/01 Referred to House Financial Services Committee 1/3/01
H.R. 296 Credit Card Consumer Protection Act of 2001 [Pascarell]	Amends Truth in Lending Act provisions governing open-end consumer credit card plan disclosures to mandate: (1) a 30-day posting deadline for the mailing of credit card account statements; (2) prominent type face disclosure of date by which a late fee will be charged to account; and (3) record keeping by credit card issuer of pertinent dates for mailing of bills and receipt of bill payments.	Introduced 1/30/01 Referred to House Financial Services Committee 1/30/01

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H.R. 347 Consumer Online Privacy and Disclosure Act [Green]	<p>Makes it unlawful for operator of Web site or online service to collect, use, or disclose personal information concerning an individual in manner that violates regulations to be prescribed by FTC requiring such operators to protect the confidentiality, security and integrity of personal information it collects.</p> <p>Regulations also to require operators to provide process for individuals to opt-out of disclosure of such information.</p> <p>Prohibits Web sites or internet service provider (ISP) from: (1) correlating IPS address information with personal information, absent a pre-existing business relationship; (2) allowing a third party to attach a persistent "cookie" as means of developing personal profile on an individual, without allowing individual to opt-out of such attachment; or (3) selling transactional information as means to satisfy creditors.</p> <p>Enforcement through FTC Act.</p> <p>State enforcement and private right of action authorized.</p>	<p>Introduced 1/31/01</p> <p>Referred to Subcommittee on Commerce, Trade and Consumer Protection 2/14/01</p>
H.R. 556 Unlawful Internet Gambling Funding Prohibition Act [Leach]	<p>Prohibits any person engaged in gambling business from knowingly accepting in connection with the participation of another person in Internet gambling: (1) credit; (2) electronic fund transfers or funds transmitted by or through money transmitter; (3) any instrument drawn by or on behalf of another and payable through any financial institution; or (4) proceeds of any other form of a financial transaction involving a financial institution as payer or financial intermediary for another.</p> <p>Shields financial intermediaries from liability for unknowing involvement or unknowing use of their facilities in: (1) any credit transaction, electronic fund transfer, or money transmitting service; or (2) drawing, paying, transferring, or collecting a check or draft. Subject to exceptions.</p> <p>Authorizes appropriate Federal banking agency to issue injunctions against insured depository institution engaged in activities proscribed by Act.</p>	<p>Introduced 2/12/01</p> <p>Referred to House Financial Services Committee and House Judiciary Committee 2/12/01</p>
H.R. 557 Deposit Insurance Fairness and Economic Opportunity Act [Lucas]	<p>Amends the Federal Deposit Insurance Act to provide a schedule under which Board of Directors of the Federal Deposit Insurance Corporation shall transfer annually to the Financing Corporation (FICO), for payment of FICO interest obligations, such amounts as exceed 1.40 percent of the total estimated deposits insured by the Bank Insurance Fund and the Savings Association Insurance Fund, respectively, when amounts in both funds exceed that percentage.</p>	<p>Introduced 2/12/01</p> <p>Referred to House Committee on Financial Services 2/12/01</p>
H.R. 605 No Short Title [Wiener]	<p>Amends Truth in Lending Act to require a store in which consumer may apply to open a credit card or charge account to display a sign, at each location where application may be made, containing the same information required by Act to be prominently placed in tabular form on application.</p>	<p>Introduced 2/13/01</p>
H.R. 746 Federal Deposit Insurance Corporation Adjustment Act [Hefley]	<p>Amends Federal Deposit Insurance Act to require periodic cost of living adjustments to maximum amount of deposit insurance available under the Act.</p>	<p>Introduced 2/27/01</p> <p>Referred to House Financial Services Committee 2/27/01</p>

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H.R. 865 No Short Title [Barrett]	Addresses community reinvestment obligations of banks, securities firms, and other financial service providers who become affiliates pursuant to provisions of Gramm-Leach-Bliley Act (GLBA). Addresses: (1) Extension of community reinvestment obligations within financial holding company; (2) reduction of CRA rating due to predatory lending and other negative credit practices; (3) responsiveness to community needs for securities and investment services; (4) responsiveness to community needs for mortgages and mortgage related services by mortgage banks; (5) responsiveness to community needs for insurance services; (6) reporting of information by insurance companies, including private mortgage insurers; (7) antiredlining requirement for financial holding companies; and (8) procedural and notice requirements relating to establishment of financial holding company.	Introduced 3/6/01 Referred to House Financial Services Committee 3/6/01
S. 30 Financial Information Privacy Protection Act of 2001 [Sarbanes]	Amends GLBA to provide that customer's affirmative consent is prerequisite to financial institution disclosure to affiliates of customer nonpublic information. Also limits redisclosure and reuse of nonpublic consumer personal information received by an affiliated or nonaffiliated third party from a financial institution, prescribes guidelines for consumer rights to access and correct information, and requires that disclosure of institution's privacy policies and practices be made prior to establishment of customer relationship. Exceptions created for information sharing in connection with services or functions performed solely on institution's behalf regarding its own customers and in order to facilitate customer service.	Introduced 1/22/01 Referred to Senate Banking Committee 1/22/01
S. 128 Meeting America's Investment Needs in Small Towns Act of 2001 [Johnston]	Amends Federal Deposit Insurance Act to prescribe formula for periodic adjustments to the maximum amount of deposit insurance coverage.	Introduced 1/22/01 Referred to Senate Banking Committee 1/22/01
S. 192 Consumer Credit Fair Dispute Resolution Act of 2001 [Feingold]	Provides that any written provision in a "consumer credit contract" evidencing a transaction involving commerce to settle by arbitration a controversy arising out of the contract shall not be valid and enforceable. Excepts provisions agreed to after the controversy has arisen.	Introduced 1/25/01 Referred to Senate Judiciary Committee 1/25/01
S. 229 Interest on Business Checking Act of 2001 [Hagel]	Amends Federal law: (1) to allow depository institutions to permit owners of interest paying accounts to make up to 24 transfers a month for any purpose to their own demand deposit account in the institution and (2) to repeal the proscription against the payment of interest on demand deposits. Prescribes conditions for interest payments on escrow accounts. Amends Federal Reserve Act to require a Federal Reserve Bank to pay interest at least quarterly on reserve balances.	Introduced 1/31/01 Referred to Senate Banking Committee 1/31/01
S. 324 Social Security Number Privacy Act of 2001 [Shelby]	Amends GLBA to require Federal financial institution functional regulators to promulgate regulations restricting the sale and purchase of Social Security numbers and Social Security account numbers by financial institutions. Prohibits a financial institution from selling or purchasing a Social Security number or Social Security account number in violation of such regulations.	Introduced 2/14/01 Referred to Senate Banking Committee 2/14/01

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S. 398 International Counter-Money Laundering and Foreign Anticorruption Act of 2001 [Kerry]	Provides Secretary of Treasury with discretionary authority to take measures tailored to particular money laundering problems presented by specific foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions. Clarifies terms of safe harbor from civil liability for filing suspicious activity reports. Authorizes inclusion of certain information in employment reference checks by financial institutions.	Introduced 2/27/01 Referred to Senate Banking Committee 2/27/01
S. 450 Financial Institution Privacy Protection Act of 2001 [Nelson]	Amends GLBA to define nonpublic personal information to include certain health information. Requires opt-in for sharing of nonpublic personal information with affiliates. Adds civil penalties for institutions of \$100,000 per violation and imposes potential civil liability on directors and officers of up to \$10,000 per violation.	Introduced 3/1/01 Referred to Senate Banking Committee 3/1/01
S. 451 Social Security Number Protection Act of 2001 [Nelson]	Prohibits sale or purchase of social security number. Authorized civil penalties of up to \$10,000 per violation for an individual and \$100,000 per violation for any other person. Authorizes criminal penalties.	Introduced 3/1/01